

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6253

BILL NUMBER: HB 1065

NOTE PREPARED: Dec 5, 2007

BILL AMENDED:

SUBJECT: PERF Beneficiary Change after Divorce.

FIRST AUTHOR: Rep. Saunders

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that a member of the Public Employees' Retirement Fund (PERF) who is receiving a benefit and who is a party in an action for dissolution of marriage may elect to change the member's beneficiary or form of benefit. (Current law allows only members of the Indiana State Teachers' Retirement Fund to make such a change.) It provides that this change of beneficiary or form of benefit is also allowed if the dissolution of marriage occurs outside Indiana.

Effective Date: July 1, 2008.

Explanation of State Expenditures: There will be additional expenditures for PERF of a minimal amount; estimated at \$10,000. This would include a one-time cost for the actuary to produce a new actuarial table, with PERF performing the actual recalculation of the benefits. PERF does not charge the member for recalculation of the benefit. The fund affected is the PERF Administrative Fund.

Benefits will be recalculated only to the extent permitted by the Internal Revenue Code and applicable regulations. Also, the PERF Board of Trustees may obtain any approvals that the Board considers necessary or appropriate from the Internal Revenue Service.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Public Employees' Retirement Fund.

Local Agencies Affected:

Information Sources: Andrea Unzicker, Chief Counsel for PERF, 317-233-4132; Doug Todd of McCready & Keane, Inc., actuaries for PERF, 317-576-1508.

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